

DEPARTMENT OF DEFENSE BLOGGERS ROUNDTABLE WITH COLONEL ANDREW COHEN, U.S. ARMY, RETIRED, DEPUTY DIRECTOR FOR FINANCE AND TREASURER, ARMY EMERGENCY RELIEF VIA TELECONFERENCE TIME: 1:30 P.M. EST DATE: TUESDAY, FEBRUARY 24, 2009

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LINDY KYZER (Army Public Affairs): Again, this is Lindy Kyzer with Army Public Affairs. Thank you so much, everyone, for joining us on the line.

We're pleased to have with us Colonel Andrew Cohen, retired. He's the deputy director for finance and the treasurer of the Army Emergency Relief. He's going to be discussing the program and dispel some of the misrepresentations that have recently come out and just provide clarification to you all.

So with that, I'll go ahead and turn it over to Colonel Cohen if he has a couple minutes of opening remarks or if he wants to start out with a couple of the key clarifications.

Sir? COL. COHEN: Yeah, well, thank you very much for the opportunity to provide a couple opening remarks.

We're very disappointed in the article, because we believe it misrepresents the service that AER provides to soldiers and their families by not looking at the total value of everything we do, in terms of no-interest loans as the primary source of assistance and the way that we work with soldiers to help them and we work with the chain of command to provide them a tool in which to help soldiers and their families that they're responsible for taking care of.

There are some not so much misrepresentations but misconceptions about AER. It's technically not part of the Army. It's a private nonprofit founded in 1942 for the purpose of relieving distress of Army members and their dependents. So by our charter, we are limited in those who we can serve and those who we cannot serve. It's known as the soldier's fund, because most of the money in it is money raised for soldiers by soldiers over the course of its 66-, 67-year history.

So with that quick background, I'll just kind of throw it open to what's on you guys' minds, what questions you may have.

MS. KYZER: Okay. We'll go ahead and we'll go in line in the order of who dialed in first, just to keep things in order, since we have so many callers. So I'll start out with Major Bryan Carroll from a Major's Perspective. Do you have a question?

Q Thanks, Lindy. And thanks, sir, for taking the time to do this. My question kind of revolves around it -- it goes directly to the article. And I have a lot of personal experience with AER. And I would say -- ballpark, would say about 50 times having utilized AER for soldiers, maybe 1 percent, like one time, there might have been an issue that would (command ?) intervention AER afterwards. You know, everything was solid, no problems sort of thing.

When I saw the article come out, was a bit surprised, and not to say -- also a lot skeptical about it. But reading a lot of documentations out there about AER -- in your personal opinion, where do you think this reporter got the information, or -- I don't want to go so far as to say untruths, but, you know, the falsehoods that were in there about it? Where'd this come from that, you know, is completely -- basically, from my perspective, my thoughts over here, way off the mark?

COL. COHEN: I can't speculate on who exactly. I mean, I can tell you that out in the published world and even congressional testimony, we have been criticized for things we're not supposed to do, such as taking care of homeless vets and things like that that are, as I talked about before, beyond our charter.

We've also been criticized in the press and by some charity evaluators or watchdogs about the reserves that we keep to take care of soldiers. And there are some differences of opinions as to what constitutes assistance and what doesn't. And so I think this is a compilation of a lot of misconceptions aggregated into one story.

But as to being able to say anyone with anything, I don't have any knowledge or data on that. We just know that the data misrepresents what AER does and how we do it.

And I think once the real story gets out, people will see that AER is a good fiduciary of the soldiers' funds, and we have a resourcing strategy that takes care of the soldiers' funds not just for today but -- not for tomorrow, but out into perpetuity.

MS. KYZER: Great. And Craig with the American Legion, did you have a question?

Q Yeah, I do -- actually, one point. There's a very good blog out today called "COUNTERCOLUMN: The Adjunct of Evil." Apparently, an Army guy is answering the -- answering the AP's allegations there.

But one criticism that's been leveled at AER is -- from old-timers, anyway, is that funds were collected through the -- from the troops by either overt or covert coercion. Has that -- has that changed over the years?

COL. COHEN: AER does not tolerate any type of coercion, be it in conducting the campaign, collecting debt, or anything. I can tell you that AER is not the -- you know, the AER of your father, as we say. We go out and give a lot of presentations, a lot of PCC classes, which have a lot of sergeant majors and colonels and lieutenant colonels who've been in the Army 20-plus years and stuff. And when we've done, we normally get two or three come up to us and say, "I didn't realize what AER does today."

Over the last five years, AER has undergone a culture change, where AER officers in the field have been taught to learn how to say "Yes" in terms of giving out assistance. And again, we don't tolerate misconduct. We have a code of ethics. And we even hire a third-party firm that tracks whistle-blower complaints.

MS. KYZER: Okay, great. And Joe Davis from the VFW, did you have a question?

Q I'd like to just toss one out there. One concern is that you do have money in reserve, and the fund has turned down applicants. How can you justify that?

COL. COHEN: Without knowing the details of who was turned down, I can't -- what I can tell you is that any eligible person who has come to AER with a valid need has gotten money. At the end of the year, we ran out of cases to process before we ran out of money. So we're not hoarding anything. We're not holding anything back. And so, again, without specific cases, we don't know why the person may or may not have gotten the case. They may not have been eligible. It may not have been a valid need. It may have been that they'd gotten assistance before and they were abusing the system. There could be any number of reasons.

Q Okay. So you're not -- you're not looking to loan money, rather than grant money, first, are you?

COL. COHEN: The -- to take care of soldiers, and in most cases, all a soldier needs is a loan to get him through a certain spot in life. They have -- unlike other charities that help people who are destitute, soldiers have jobs, retirees have a stream of income, and so a loan is normally the most appropriate form of assistance.

If a loan creates too much problem to pay back, then it's given as a grant, or a combination thereof. If a loan is given and a soldier's situation changes, it can be converted to a grant; repayment schedules are adjusted -- whatever it takes to take care of the soldier, the folks at AER try to do.

Q Thank you.

MS. KYZER: Okay, and Toby Nunn with Toby Nunn's Briefing Room, did you have a question?

Q Absolutely. I'm going to kind of piggy-back on the last question a little bit, sir. A hundred and seventeen million dollars in reserve, that's a lot of money, especially with the amount of need that's out there. And I notice the comment was that you're waiting on the next big catastrophe, and I'm not sure what constitutes a catastrophe.

But I know that there's a lot of, you know, dependents out there that have had to relocate, you know, due to their wounded warriors.

And there's plane tickets, there's a lot of -- there's a plethora of 501(c)s that are out there that are, you know, trying to fill these gaps. I know that Soldiers' Angels put out about 16 million last year. And I know that, you know, there's a lot of (other ?) groups doing stuff.

But I think with the vetting -- perhaps you might want to call it the vetting system that the chain of command utilized, and I myself being a sergeant first class understand this -- that, you know, when you go through and you try to get a guy in our AER a loan, you know, the leadership are involved. Do you think that close tie is what's, you know, hindering, you know, the dispersion of some of these, like, excessive reserves?

Because I've contributed for a long time. I always thought that my money was going to help somebody. And, you know, knowing that there's 117 million (dollars) sitting out there, and I watch people suffering every day, you know, when I go to Walter Reed and (BAMC ?), Malone House, it just -- I'm a little frustrated and I'm a little hurt that, you know, we could be pushing this money out but we're not.

MS. KYZER (?): Thank you, Toby.

COL. COHEN: Well, you know, I have to disagree with you. We are pushing the money out, and we take -- steps in the last few years to do so. Over the last -- in the period in question, we've given out over a quarter billion dollars in assistance. Granted, most of it's loans, but that represents about 25 percent of the billion dollars it took us about 63 years to distribute. So we've done that.

And through programs like the commander referral program, a soldier who needs help can go to his company commander or first sergeant and get the loan approved by them on the spot, up to a thousand dollars, and just turn the paperwork in the AER office in the morning and get the check in the afternoon. We try to make it as simple as possible.

Q And sir, I agree with you, and you know -- and I've walked guys into offices in Fort Hood, I've walked them in at Greely, I've walked them into Fort Lewis. And I understand the quick turnaround time and the commanders' referral.

But I also know that you get a new soldier to a new chain of command, they don't know a lot, they haven't had a chance to go through the -- you know, the vetting process with the chain of command, that there's a hesitation.

And this close relationship between the chain of command and this, you know, 501(c) that's out there on its own, do you think that it's time to reform that close-knit relationship, maybe bring in some board members that aren't active -- like sergeant major of the Army?

COL. COHEN: I'm not sure I understand the question. Or there are -- I guess there were a couple questions embedded there. So could you kind of exactly repeat what you want me to get addressed?

Q Roger, sir. I guess the question I'm getting at is that -- do you think that it's time to maybe reevaluate or change the close relationship between the chain of command, meaning the actual Army, and the charity, which is separate?

COL. COHEN: I --

Q (Off mike) -- we don't have, like, you know, these misconceptions. And I agree, there are some terrible misconceptions. And that article I don't think is as truthful as it needs to be.

COL. COHEN: Well, I think what you're referring to is -- it's -- the problem is misconceptions, and not a relationship that has worked well in taking care of soldiers for 67 years or so. And that's what we continue to try to do, is take care of these misconceptions.

As we go out and about, we spend a lot more time traveling, talking to soldiers, talking to leaders, making sure they know that AER's a tool that's available to them. One of the primary guiding points about the closeness of AER and the Army was it was established by the secretary of War in the beginning of World War II to take care of soldiers who were experiencing temporary financial problems.

And one of the reasons that it's done by AER -- Army folks in the field, not only to reduce the admin costs and have more money available for assistance, but so that Army leaders know what problems their soldiers may be having and keep taking care of those problems.

Now, does that work in all cases? No. But the preponderance of good is -- (audio break) -- let's keep that going and let's fight the issue of misconception.

Q Thank you, sir.

MS. KYZER: And if we could stick to one question. I know that's rough, but we do have a lot of folks on the line, so as much as possible.

Next we have Karen Francis from Parents Zone. Did you have a question?

Q Yeah. I have one as a spouse as well as a parent. A hundred and seventeen million dollars. Wow. I'm reading from this: AER's management says it hasn't felt a need to boost in giving in recent years. I don't think the need is any different than it was four or five years ago.

You're also talking about market effects on AER and its money. Those market effects are hitting our families out here really, really hard. We're sitting here with mortgages. We move; we can't sell our house. Why on Earth are people -- if they are being turned down, why are they being turned down?

And why is Soldiers' Angels and the others giving out this money to the family members so they can go to Walter Reed, and AER won't? Because I've heard of that. Is it that it's a family member requesting it, or not?

COL. COHEN: Again, without specific case knowledge, I can't address any particular case. And let me kind of --

Q Generality, then. Is it normal to turn down a spouse who needs to get out to Walter Reed?

COL. COHEN: Not when they have a valid need.

Q What's a valid need?

COL. COHEN: Well, that goes case by case. So let me try to address some of the things in your question.

First, Colonel Spiegel was misquoted. When Colonel Spiegel said about no additional needs and stuff, I believe it was more in a line of are there more areas of assistance that you can be doing. The areas of assistance that we do pretty much give the commander flexibility to do everything. AER has a list of those things we do and a list of those things we don't do. We don't buy cars. We don't pay for bail. We don't pay tax liens. But I got to tell you, we've done all those things under a great little tool we have, called "exception to policy."

In one case, for example, for bail, a deployed soldier, his wife with two kids, she was arrested for bad checks, and the bank screwed up their checking account -- which is another story. But if she didn't post bail, the member was going to have to come back from a war zone and the kids were going to go to the custody of the state until it was all resolved. So to keep the family from breaking up and having to take a soldier out of a combat unit downrange, we made an exception to policy and gave assistance.

So we believe there's flexibility to cover whatever case may come this way as long as it's in the best interest of the soldier.

MS. KYZER: Okay. And Brian Mitchell with military.com.

Q Thank you for taking time to speak with us today. Right now we hear so much about people being -- dealing with so much debt, whether it be mortgage debt, credit card debt. I can imagine soldiers out there face their own difficulties, you know, moving around so much and, the one blogger noted, not being able to sell houses.

Why haven't you guys in this area, when we have wars that amount to four, five, six years and these guys have made such sacrifices to the country, made a switch to just do more grants and just get people out of this debt, where they just have -- even though it's a no-interest loan, it's just one more payment they're making. Why hasn't there been a conscious effort to move -- if people are in need, and these are people that are, you know, bearing the brunt of these wars we're fighting, why won't we just, with this 117 million (dollars) -- I mean, the interest off that alone, even in these times, seems like it would be enough to put out some pretty hefty grants to folks.

COL. COHEN: Well, I guess in some cases there's a matter of perspective.

Let me address the 117 million (dollars) first. The 117 (million dollars) -- first, the article, as I read it, inferred that we took donations and stashed them away, which is not true. During that period of time, we spent more on programs than we received in donations, almost two-to-one. And that money comes from our investment capital. And if we're going to draw \$20 million out of investment capital and maintain the corpus of the fund, depending on the size of the fund and the interest rate, it has to earn a certain interest rate. So there is a certain amount of math there to say how big the funds should be to maintain the fund and produce a supplemental stream of income.

The issue about when something should be a loan or a grant, and you're talking about people who get into financial difficulty because of their own volition, then we have other soldiers who say, "Johnny Jones got an AER grant because he maxed out his credit cards and couldn't manage his resources. I don't mind helping Johnny Jones out to get right back on track, but I ain't going to give him a free pass, and if that's what AER's going to do with the

money I donate, I'm not going to donate." And that's the prevalent attitude we have when we go out and talk to soldiers about taking care of soldiers.

MS. KYZER: Okay. And we did have folks -- I -- and there are probably four extra folks joined after we'd gotten started. So if there's someone out there who hasn't yet asked a question who has one, I'd invite you to jump in now.

Q And Lindy, this is Davi Morrison (sp).

MS. KYZER: Hi, Davi (sp).

Q Hey, I -- one of the very last things mentioned in that article is about scholarships being cut. If you have the money, why are you cutting scholarships?

COL. COHEN: Good question, and it goes back to our ability over the long term to take care of soldiers and what we talked about, about the supplemental stream of income. During the period 2003-2007, if you had, you know, TSP, 401, a mutual fund, you saw the value of that account go up as the market went up on a daily basis. That's what AER did too. And since that time, everything has fallen flat.

But as the markets went up, and AER had more money, we started in 2003 with a scholarship program that gave out about \$3 million a year. The board of managers said: Hey, we're making good money in the markets; we're meeting all the -- we're meeting the needs of all the people who come to our door. Let's increase scholarships where we can.

And they have done that, using the supplemental stream of income from a portfolio that at one point peaked at just under \$300 million.

Last year we lost about 27 percent of the value of our investments when the market tanked. And so, as a prudent measure, the board of managers said for next year we're going to reduce the amount of money we give out in grants for education to be able to maintain our primary mission of emergency financial assistance.

Now, the board of managers sets -- there are three basic budgets in AER, and the board of managers sets two of them. One of them is the operating budget for the headquarters, how much we can pay on printing and salaries and all of that. The other is the education budget.

The third budget, for financial assistance, is whatever the valid need is, we will pay. And so when we go out and talk to folks, I tell them this is the only time you're going to hear someone say as long as there -- as long as an AE officer has checks in his checkbook, there's money in the account. And to make that true, they decided they would pull back a little on the education assistance next year.

Q What is it expected to be?

COL. COHEN: Eight million dollars total, to be disbursed amongst the applicants. We don't know how many applicants we'll get. And this is part of the case where we're becoming a victim of our own success in that we've gone out and we've increased awareness of this program.

So every year, we get more applicants.

Q As opposed to 2008, how much?

COL. COHEN: Again in 2007, we gave out -- in 2008, we gave out \$12 million.

Q Thank you.

COL. COHEN: In 2009, we're going to give out \$8 million.

Q Thank you.

MS. KYZER: Okay, and is there anybody else on the line who hasn't yet asked a question?

Q Those numbers we just spoke of, those were for education grants, correct, the 8 million in '07?

COL. COHEN: Well, the 8 million is in '09.

Q Oh-nine, thank you.

COL. COHEN: In '10 -- not in '10; I'm getting tongue-tied here.

In '07, we gave out 10 million. In '08, because the market was still going up in '07, when the decision was made, the board of managers took it from 10 to 12 million. And now because the market has basically tanked, they brought it back down to 8 million. And that's where we're at.

Q So can I ask a supplemental question? Exactly how much is in AER's coffers right now, in your -- I don't know what you keep calling it.

COL. COHEN: In our investment capital?

Q Yes.

COL. COHEN: Okay.

The value today is roughly 190 to \$200 million in our investment capital. Q Do you understand why people say, what do you mean you're cutting back, when you're talking numbers like that, with people out here who are struggling?

COL. COHEN: Yes, and part of the education process is that that is not just sitting there. It is earning money that is enabling us to do stuff beyond what we do with donations.

Q It still -- it still boggles my mind that you're going to hold on to 190 to \$200 million and cut back on scholarships, cut back on grants and tell us that AER is somehow hurting. I'm sorry, \$190 million; I don't think you're hurting.

I think if everybody stopped giving to AER today, you would still be able to give low-interest loans because after all, what goes out comes back in. You'd be able to go on with that for an awfully long time.



Q Colonel, I've got to add on top of that one too.

COL. COHEN: Let me --

Q Go ahead.

COL. COHEN: Okay, let me address these. Okay, there are a couple of things in there I need to address.

The board of managers has a responsibility to maintain the corpus of the fund. Okay, the fund serves two basic purposes. It produces a stream of income to supplement what we get in donations, as I talked about.

Last year, we did -- we spent \$1.84 for every dollar in donations received.

Q But you still kept that 190 million in your fund.

COL. COHEN: Well, but we took the money that that \$190 million earned, and we plowed it out there. If we didn't, and let's say it earned 5 percent, instead of having 190 million, we'd have 198 million or so.

We're trying to keep the fund-balance level which, as the fund was going up, goes back to why we increased scholarships, from \$3 million a year to \$12 million a year, because we're trying to push money out without growing the fund too large.

On the other side, we have to keep the fund from getting to a point that it gets too small. What happens is, we're now in a position, and no one said AER was hurting. We're now in a position that if you model the expected returns on investment and the expected draws on the portfolio, you will eat up the corpus of that fund in about 10 years. Q But you've still got all these people donating.

MS. KYZER: I do have two more questions that I got from e-mail. So I want to close on those. And if there are follow-up questions, you're free to submit them via e-mail to me, because I know there are lots of folks who go on for a while.

So one question we got, from CJ Grisham from A Soldier's Perspective, who couldn't join us, is where is the media getting the \$117-million figure that you have in reserves? And what does that refer to?

I know you touched on that. But I just want to make sure it's perfectly clear for him.

COL. COHEN: Not exactly sure where they got it from. I believe they basically looked at the beginning and ending balances of our net assets. And in that beginning and ending balance reflects the amount of loans that are outstanding, that are issued, that are due back in, which has grown \$14 million over the same period, which shows that we've increased the outflow of dollars to meet the need. The other -- the rest of the money came again, as we talked about, in terms of -- it was a paper gain based on what the markets were doing on investments.

(Cross talk.)

Q I'm sorry, did you just say that the ending assets include the outstanding loan balances?

COL. COHEN: Yes, outstanding loan balances are --

Q All right. Thank you.

COL. COHEN: And so they're counted as an asset.

MS. KYZER: Okay. And then one other question was how do you decide who gets a loan and who gets a grant? I know you did touch upon this, but specifically does rank play into it?

COL. COHEN: No, it --

MS. KYZER: I'm not sure if you can get that specific, but --

COL. COHEN: No, it does not. The determination between a loan and a grant is what's in the best interest of the soldier.

MS. KYZER: Okay. Those are the questions. I do want to give you a couple minutes to touch on anything that maybe we didn't get to or any -- offer any final points or final clarifications.

COL. COHEN: I think as the questions and conversations indicated, I mean, there is a lot of misconception. There are a lot of people battling about numbers that, in some cases, people, including AER, aren't sure where they came from, to include the numbers espoused in the article. In fact, earlier today I spoke with Navy-Marine Corps Relief Society, and they were asking me, you know, if I had done the numbers, because they can't back into his numbers for the numbers they talked about for Navy-Marine Corps Relief Society.

I mean, it's important to know that AER was founded for a purpose. We do that mission and we believe we do it well. We have met the needs of those that have come to us and we just need to get the word out that, you know, we're there to assist folks.

Q Will you be issuing any press releases or follow-up communications?

COL. COHEN: We have sent a -- we were asked by the author of the article to send our comments. We sent him an e-mail last night -- we don't know if they were accepted or not -- that basically tells -- says that we don't think the article accurately portrays the value and assistance we provide by discounting the value of the loans we provide and some other factual information which can be found on our website. We have a reaction or reply to the article posted on our website, along with our annual report that I invite everyone to look at.

In conjunction, there is a news story being written that hopefully will be out shortly that the Army is -- their perspective. And we are answering every e-mail we get from someone writing in, questioning our lineage with where we believe the inaccuracies are in the story. And in a lot of cases, we're getting folks to write back and -- (inaudible) -- thank you very much; we didn't understand.

But there is one benefit in all these e-mails I got, was -- one of the people who wrote in was the wife of my old 1st sergeant when I was the company commander in 1984. And I got to talk to her. So a way to connect with old friends, I guess.

Do you guys have any more questions for me?

Q Why didn't you actually respond to the initial article? Because the article says that repeated requests for comment was declined.

COL. COHEN: My experience is that some members of the press have a funny way of doing business. They'll call on a Sunday afternoon your office phone number and say they tried to contact you. Last night when we replied I got an e-mail from the author -- it probably came in about 4:00 in the afternoon. By the time I got to it, I said, "What's your timeline?" He said, "Well, I'm getting ready to push the send button now. If you send me something, I'll see if I can get it in an updated version."

Okay, just because people are operating on different timelines and don't give us time to accurately review and respond to an issue doesn't mean we don't want to respond. It just means at times we can't respond in an objective and logical manner.

MS. KYZER: Okay. I got another question from -- via e-mail, so if you're willing to extend your time, sir, I'll keep throwing them at you --

COL. COHEN: Sure.

MS. KYZER: -- if you're still having fun.

Beth Wilson from Homefront in Focus asks, how do you respond to the very real perception over the past year -- she's heard from more and more spouses who have been turned down. She's saying, is it possible that the criteria needs to be adjusted in light of continued financial burdens? So she thinks that possibly you're operating from old criteria and it needs to move with the times. Can you address that at all?

COL. COHEN: Again, without knowing the reason of the individual cases, I cannot say why someone has been turned down. The initial recommendation as to whether or not to approve a case for a soldier starts with his chain of command. And we've had cases where commanders have said, no, we don't believe it should be approved, and we've had cases where the commander has overridden the judgment of the AER officer and said, no, the soldier needs the loan, and we defer to the commander.

Now, there are really two populations that don't need to go through the chain of command. One is retirees, because they don't have a chain of command, and then the spouses of deployed soldiers. There's no requirement for them to go through a chain of command. They can go straight to the AER office with a power of attorney.

But again, without knowing why they were turned down, I can't answer it. All I can say is they ought to say, would you kick it up to the next level -- (inaudible).

MS. KYZER: Okay. And other questions out there?

Q Yes. Sir, Brian Mitchell here once again from military.com. It seems -- just sitting back and listening to this from a layman's point of view, someone who's not in the military but spent a lot of time covering the military, that you guys have done what you think is prudent in a volatile market. At the same time, it seems like we've heard a lot of people on the line today talking about, you know, very real concerns about service members and especially spouses being turned down.

I know you can't speak on specifics because you don't have -- (inaudible) -- cases, but, you know, based on this article that's come out, based on the conversations we've had today, are you guys going to make some changes? Are you guys going to do some introspection and say maybe we do need to take a look at some of our policies? Is there going to be any changes out of this or is this press conference the most we're going to see from AER on this?

COL. COHEN: I mean, we always look at our policies. We always look at what we're doing and how we can do them better.

One of the things that happens at the annual board of managers meetings -- and this is one of the other things that wasn't really -- well, it was kind of addressed earlier, was about the active duty members who sit on the board. During the board of managers meeting, General Meyer, retired chief of staff of the Army, goes around and asks everyone, "What's going on in the Army?

From your perspective, what could we be doing? What could we be doing better?" And from those interactions came things like expanding the child scholarship program, spouses overseas, and then all spouses, the commander referral program. So we do those things.

One of the other things that we've done -- little, small thing -- but it used to be that if you needed an AER loan for automobile repair, your car had to break first. That doesn't make much sense, especially if you're going to talk about putting a kid on the road to go home on leave with four bald tires.

We now grant AER loans for preventive maintenance, because it's cheaper to fix the transmission before you have to replace it. And it's certainly cheaper to put new tires on a car before you have to go do a line of duty investigation on a -- on a young trooper who was killed when his car went off the road with bald tires.

So those are the kind of things that come out through this constant introspection.

Q Do you have any family members on your board?

COL. COHEN: Yes, we do. We have Mrs. Casey, Mrs. Preston, and Mrs. Shinseki.

Q How about -- how about having some --

Q Do you have enlisted representation?

Q Yeah, that would --

COL. COHEN: I'm sorry, folks are talking over each other.

Q Enlisted representation.

COL. COHEN: Oh, we have Mrs. Preston. She's the wife of the sergeant major of the Army.

Q Okay.

Q How about junior enlisted representation? Because those are two -- they really are two different worlds.

Q Yeah, real enlisted, not sergeant major of the Army. COL. COHEN: That's --

MS. KYZER: Okay, play nice. Play nice, people.

Q I'm playing nice. I mean an E4's wife. How about the staff sergeant's wife, or the first sergeant's wife?

COL. COHEN: Those -- those are good questions, and I will pass them to General Foley, and I'm sure he will pass them to General Meyer, and it's probably an issue that may be looked at. I don't know in the history of AER if the board has addressed that issue or not, but I -- I will carry it forward.

Q Sir, if I may ask one more question?

COL. COHEN: Yes.

Q I heard you speak of -- and first, let me clarify, I wasn't attacking you earlier. I just -- you know, I'm very passionate about taking care of folks.

You said that perhaps you guys would be going out and doing a little more education and trying to, you know, put a better community image forward. Have you thought, with this introspection, of expanding -- expanding the way that you reach out to folks -- meaning, being more proactive and just offering assistance, versus, you know, passively waiting for applications?

COL. COHEN: That's -- that's a good -- good question. And there are two quick -- (audio break) -- where I think we do that. One is the annual campaign. And the first reason we tell folks that we do the campaign is, one, to increase awareness of AER within the Army. That's the first reason we do it. The Army has a lot of turnover every year. Eighty thousand people coming in, or so; 90,000 going out, or more. So there's a lot of turnover. And there's also in the senior ranks a lot of people who, because they don't use it, they forget about it, that need to be reminded of it.

So we keep doing as much as we can on a yearly basis, to do that. We go out to the PCC, to Sergeant Majors Academy at Leavenworth. We go to Garrison Commanders Course at Belvoir.

One of the other programs that we have that I didn't touch on, where we try to do some stuff in a proactive means, is right now every soldier going through AIT gets eight hours of personal financial management training, which is how to buy a car, how not to buy life insurance, enrolling in TSP, and how to manage a checkbook and those kind of things; with the idea that we can prevent some folks from having to come to AER because they've messed up their checkbook, they've overdrawn their credit cards and things like that. That class is done during AIT. It's taught under contract that AER is currently paying for. Q

The reason why I ask, sir, is, you know, I see it almost daily in our requests for assistance that, you know, if possible, you know -- say, hypothetical situation, you guys are at the family support center in Walter Reed, you know, helping assess people's needs and then, right on the spot, offering, saying, hey, we can provide you with a grant or a low-interest loan at this time to help, you know, cover you -- hold you over.

Is that something -- and forgive me if I'm being ignorant, because I haven't seen it. That doesn't mean it doesn't happen. But, you know, that's what I meant by being proactive.

COL. COHEN: You're right. And --

Q The service member might know, but if he's unconscious sitting in the open sores unit down at Bamsi (ph), his wife in the waiting room might not know.

COL. COHEN: Those are good points, and we do try to do those things. As the army stood up the SFACs over the last year, we sent e-mails out to our AR officers to make sure they went out and made contact. We talked with the installation management folks here about linking up. And so I think we have that. We reinforce that with AR officers through regular updates and through a biennial training session we have with them. We touch all these things. But because people change and things, there are things that we have to keep doing.

One of the things I keep telling folks when I do my PCC pitch is, you know, "Your feedback's important. If things aren't connecting, please let us know so we can make them right."

Q Well, thank you, sir, for your time and those that you've helped. I appreciate it.

COL. COHEN: Thank you. And thank you for everything you're doing.

Q Sir, if I could, this is Beth from Homefront in Focus. I'm a military spouse. And I'm a columnist and blogger and talk show host, so I hear from a lot of spouses. And over the past year to 18 months, I've heard more -- you know, when they contact me, "Can you help me out?" the first thing I say is, "Have you contacted AER?" And more and more, I've heard that they've been turned away. So there is the perception out there that they are getting turned away.

Now, I'm not -- I understand that there are always, you know, circumstances in each case. I understand that, and I validate that comment. But there does seem to be a perception that more and more people are getting turned away as opposed to being helped. So I wanted to pass that information on to you for whatever action that you can take on it, because that is the feedback I get. The other thing is, I wanted to know if there is an initiative of any kind to be working with your local FRGs to -- because that's where your enlisted spouses live -- to work with them. And let's face it, it's the spouse who holds the checkbook. Are you working with them in any proactive way as you are working at AIT?

Just a thought -- question.

COL. COHEN: Yes. First, let me address the perception issue. I mean, we have to keep hammering away at that. And I need your help as much as I need

to go forward and talk to Colonel Spiegel, who's in charge of assistance, and pass it on to him. In fact, he's on the road right now doing presentations. And I'll be on the road next week doing some presentations. And one of the things we've done -- and let me go to the FRG issue -- is we've sent e-mails out to our AER officers -- and, again, not only to keep in touch with the SFACs because of the FRGs.

And, for example, next week I'll be in Fort Drum. And I basically told the AER officer at Fort Drum, in addition to doing a campaign kickoff presentation, you guys got me for the whole day. You want me to speak to FRGs? I'm available. Do you want me to speak to a first sergeant, company commander course that may be going on? I'm available. Whatever you need me for, you got me for the day. You got me from the time I drive on post to the time I drive off, however long that may be.

The other person I want to speak with is the post sergeant major and garrison commander, see how AER is working for them. I'll go by the SFAC and see how things are doing. So we do that.

Last year -- last couple of years, we've had a booth at AUSA. And the biggest amount of folks who come by and see us is -- are ladies from the FRGs. And we have a good time talking to them. We give them lots of information. They take pamphlets home by the handful. This year's space is going to be limited, and we're going to have to justify it to the TIL (ph) folks. And my justification is it's a great place for me to have a booth and talk to the FRGs.

And so we're going to continue to try to strengthen our relationships and reach out to FRGs and things like that.

MS. KYZER: Okay. Well, I think we've come to a natural conclusion here. Again, thank you, everybody, for your time. I know that this is a hot issue and something that folks care personally about, and I think it's a good sign that folks do care so personally about it. We wanted to make sure we connect with you.

And again, as Colonel Cohen has stated, he's very serious about responding to those queries that he gets. So as folks do have follow-up questions or if anything wasn't clear in the roundtable today, you all have my contact information, so definitely feel free to ping me and we'll make sure we get those questions answered.

So thank you again, Colonel Cohen. Thank you very much to all the bloggers who joined us for this very important issue.

We'll have the transcript sometime later today or this evening, so I will go ahead and ping that out to you via e-mail, and you can also find it at [defenselink.mil/blogger](http://defenselink.mil/blogger).

Thank you again, everyone. This concludes the roundtable.

COL. COHEN: Thank you.

END.